### **CALIFORNIA**

#### DRINKING WATER PROGRAM UPDATE

California Department of Health Services

March 1998

## DRINKING WATER STATE REVOLVING FUND PROGRAM

With the enactment of the federal Safe Drinking Water Act Amendments of 1996 (SDWA), federal grant funding was made available to the states to implement State Revolving Fund (SRF) loan programs which would provide public water systems with financial assistance for the construction of projects to meet drinking water standards. In addition, federal funding was made available to states for source water assessment and protection plans, small water system technical assistance, and providing financial assistance to disadvantaged communities.

In October 1997, the Safe Drinking Water State Revolving Fund (DWSRF) Law of 1997 was passed by the California Legislature and signed into law by Governor Wilson. The DWSRF Law of 1997 put in place the financial mechanisms and administrative procedures required so that the State of California could receive the available federal grant funding provided by the federal SDWA. The Department of Health Services (Department) was assigned the responsibility to administer the DWSRF Loan Program for California.

It is anticipated that California would receive approximately \$150 million in federal funding for fiscal years 1997 and 1998 combined. Currently, the Department is planning to use 4% of the funding to administer the DWSRF Loan Program, 2% for small water system technical assistance, and 10% of the fiscal year 1997 funding for source water assessment and protection. The remaining funding will be used to issue loans and/or grants to public water systems for eligible projects.

The federal SDWA also requires the states to contribute 20% in matching state funding in order to receive the federal SRF funding. The State of California is considering the placement of a General Obligation Bond measure on the statewide ballot in 1998, to generate the required matching funds.

The Department established a committee structure to develop the required policies and procedures for implementation of California's SRF Loan Program. The primary committees include the SRF and Capacity Development / Small Water System Technical Assistance Committees. The membership on these committees includes representatives from the U.S. Environmental Protection Agency, the Department's Drinking Water Program, County Health Departments, the water industry, environmental and consumer organizations, and other stakeholders.

The SRF Committee has been delegated the responsibility to develop the Intended Use Plan (IUP) and the project funding priority list. The IUP identifies California's SRF Loan Program structure including a funding allocation plan, the project priority funding list ranking criteria, and other provisions required to comply with additional federal requirements. (See SRF, page 7)

# Inside the Update ( New Legislation ( Drinking Water Source Assessment and Protection Program ( Perchlorate ( Court Action ( Regulations Update

## MTBE - MONITORING UPDATE

In February 1997, the Department adopted a regulation that requires community and nontransient noncommunity water systems to monitor their drinking water sources for methyl tertiary butyl ether (MTBE). A total of 4,418 public water systems with approximately 11,000 groundwater and surface water sources are now required to sample for MTBE in California.

MTBE is a chemical added to gasoline to promote more complete combustion and reduce motor vehicle exhaust emissions. In California, MTBE has been used in non-attainment air quality areas during the winter since 1992 and statewide beginning in 1996 to meet the federal reformulated gasoline requirements.

Because of the extensive use of MTBE and the existence of leaking underground storage tanks, MTBE has been found in groundwater and surface waters in California. Several wells have been closed because of high levels of MTBE, primarily in Santa Monica.

Since the adoption of MTBE monitoring requirements, 516 public water systems and 2,553 water sources have been sampled for MTBE.

(See MTBE Monitoring, page 4)

#### **NEW LEGISLATION**

The following is a summary of the new laws passed during the 1997 Legislative Session that became effective January 1, 1998. The complete text of these new laws are available on the California State Senate home page (<a href="http://www.sen.ca.gov">http://www.sen.ca.gov</a>)

#### SB 1307 – DRINKING WATER STATE REVOLVING FUND LAW OF 1997

Senate Bill (SB) 1307 revised state law to incorporate new requirements of the federal Safe Drinking Water Act Amendments (SDWA) of 1996 and enacted the Drinking Water State Revolving Fund Law of 1997 (DWSRF Law of 1997).

The newly revised state law enables California to maintain primacy with the United States Environmental Protection Agency (USEPA) for the administration of the drinking water regulatory program.

The revisions to existing state law involved redefining the terms "public water system", "community water system", and "service connection" to conform with the new federal provisions and requiring any public water system created after January 1, 1998 to demonstrate that it has adequate financial, managerial, and technical capability to deliver safe drinking water before an operating permit is issued. Also irrigation canal systems that provide untreated water for only agricultural purposes will no longer be exempt from the SDWA after August 6, 1998. Any water district, established prior to May 18, 1994, that provides primarily agricultural services through piped water systems, are exempt from being classified as a PWS, if the system provides alternative water or point of entry treatment for all residential users.

The civil penalty for failure to comply with any citation or order issued for violations of turbidity and secondary drinking water standards have been increased from \$250 to \$1,000 per day, and the use or sale of any pipe,

plumbing fitting or fixture, solder, or flux that is not lead free is now prohibited in California. SB 1307 also revises the condition for approving of exemptions to public water system from the maximum contaminant level or treatment requirements.

The DWSRF Law of 1997 also establishes a fund in the State Treasury and administrative procedures for the Department to distribute federal funds to public water systems in the form of loans and grants for the construction of projects to meet safe drinking water standards. The DWSRF Law of 1997 requires a minimum of fifteen percent (15%) of the total funding to be used for loans and grants to public water systems that serve fewer than 10,000 persons, and allows up to thirty percent (30%) of the funds to be used for disadvantaged communities. The interest rate on the loans will be established annually by the Department at fifty percent (50%) of the rate paid by the state on general obligation bonds issued in the prior calendar year. The term of the loans will be set at either the useful life of the project or twenty (20) years, whichever is shorter. Grants of up to \$1 million will be available to provide for planning and preliminary engineering studies, design, and construction of individual projects.

The Department is also required to develop and implement source water assessment and wellhead protection programs and to set aside federal grant funds to provide assistance to public water systems for activities within these programs.

#### SB 1189 – MTBE DRINKING WATER STANDARDS

The Department is now required to adopt a primary drinking water standard for methyl tertiary butyl ether (MTBE) by July 1, 1999 and to establish a secondary drinking water standard for MTBE by July 1, 1998.

The State Water Resources Control Board (SWRCB) is required to create a Geographic Information Mapping System (GIS) that includes data regarding the locations of drinking water wells, aquifers, and motor fuel underground storage tanks and pipelines. The SWRCB is required to develop and implement the Santa Monica and Santa Clara Groundwater Pilot Projects for the purpose of establishing the data management needs of this GIS mapping system. The SWRCB is required to complete these pilot studies and an evaluation of the GIS mapping system feasibility by July 1, 1999.

The SWRCB is now authorized to expend up to \$5 million annually to reimburse public water systems for the costs incurred to provide treatment of drinking water contaminated by an oxygenate or to provide an alternative drinking water supply. Individual public water systems are eligible to be reimbursed up to \$1 million for treatment costs or providing an alternate water supply.

The regional water quality control boards are now required to publish a quality report that lists the locations of all MTBE discharges that occurred during the quarter. This report must be distributed to all public water systems in an affected region.

#### AB 1460 – NACIMIENTO RESERVOIR AVAILABLE FOR MULTIPLE USES

Effective January 1, 1998 water released from Nacimiento Reservoir can be used for domestic purposes provided that the water receives appropriate treatment prior to domestic use. Nacimiento Reservoir is currently operated by the Monterey County Water Resources Agency as a water source used exclusively for agricultural purposes in the region. The reservoir is also used extensively for water and jet skiing and other body contact recreation. Assembly Bill (AB) 1460 authorizes the continuation of these recreational activities on Nacimiento Reservoir. The use of water released from Nacimiento Reservoir is limited to areas within San Luis Obispo County based on established contractual rights to the water.

#### SB 521 – PUBLIC HEALTH AND ENVIRONMENTAL PROTECTION ACT OF 1997

SB 521 requires that all discharges of methyl tertiary butyl ether (MTBE) that pose a threat to drinking water supplies or coastal waters must be cleaned up. Public water systems that incur costs for MTBE remediation and treatment are allowed to seek recovery of these costs from the parties responsible for the MTBE contamination.

The University of California is required to conduct a study of the human health and environmental risks and benefits of using MTBE in California. If the study concludes that there is a significant risk to human health or the environment from the use of MTBE in California, the Governor is required to take appropriate action to protect public health and the environment.

#### AB 592 – DRINKING WATER WELLS PROTECTION

The State Fire Marshall is now required to develop and maintain a database for petroleum pipelines and tanks that is compatible with the Geographic Information Mapping System (GIS) being developed by the State Water Resources Control Board (SWRCB). The State Fire Marshall is authorized to spend \$469,000 from the California Hazardous Liquid Pipeline Safety Fund to develop the database.

This database will utilize the GIS information and identify petroleum pipelines and storage tanks located within 1,000 feet of a public drinking water well. The State Fire Marshall is required to notify the pipeline operator that their pipeline has been identified within 1,000 feet of a public drinking water well, and to provide the name of the water system and location of public drinking water wells. Pipeline operators are required to prepare a wellhead protection plan if they are notified by the State Fire Marshall. The State Fire Marshall is required to update this database every two years. •

#### SB 1312 – FISHERIES MANAGEMENT PRACTICES IN DRINKING WATER SOURCES

The Department of Fish and Game is now prohibited from adding poisons to drinking water supplies for the purpose of fisheries management, unless the Department determines that the addition of the poison will not cause permanent damage to the drinking water supply. The Department is also required to ensure that an alternative drinking water supply is available while the poisoning activity occurs.

This bill was enacted specifically to address local concerns regarding the Department of Fish and Game's proposed poisoning of Lake Davis in Plumas County to eradicate the Northern Pike infestation. SB 1312 resulted in a delay to the Department of Fish and Games poisoning of Lake Davis until the Department evaluated the impacts of the poisoning to the water supply and an alternative water supply was provided. •

#### SB 1268 – ACQUISITION OF A PUBLIC WATER SYSTEM BY WATER CORPORATION

Effective January 1, 1998, the California Public Utilities Commission (CPUC) will be required to include the fair market value of the water treatment and distribution system when establishing water rates that can be charged by a water corporation which has purchased a public water system.

The determination of "fair market value" will include consideration of anticipated improvements in water system reliability, efficiency, and ability to meet health and safety regulations, economies of scale, and the effect on the existing customers. Any water corporation attempting to purchase a public water system, is required to inform the water system's customers of (1) the price and terms of the proposed acquisition, (2) the applicable water service charges before and after the proposed acquisition, and (3) the estimated savings to be achieved or additional costs expected as a result of the proposed acquisition. .

#### SB 373 – WATER TREATMENT PLANT OPERATOR CERTIFICATION

Effective August 15, 1997, the Department was provided expanded enforcement authority to dxiscipline water treatment plant operators. This new authority also applies to water treatment plant operators employed at the water recycling treatment plants.

The Department now has the authority to suspend, revoke, or refuse to grant or renew any water treatment plant operator or operator-in-training certificate if an operator (1) submits false or misleading information on an application or engages in dishonest conduct during an examination, (2) uses fraud and/or deception, or fails to use reasonable care and judgement in the operation of the treatment plant, (3) fails to perform operating duties properly or to meet the requirements of certificate renewal, or (4) willfully conducts negligent acts that cause violations of the Safe Drinking Water Act or waste discharge requirements.

#### AB 541 AND SB 105 – RECYCLED WATER DISCHARGES

The enactment of AB 541, in combination with SB 105, excludes recycled water from the definition of sewage for purposes of reporting unauthorized discharges. Unauthorized discharges of up to 50,000 gallons of disinfected tertiary 2.2 recycled water and wastewater receiving advanced

treatment beyond disinfected tertiary. 2.2 recycled water no longer must be reported to the Office of Emergency Services. In addition, unauthorized discharges up to 1,000 gallons of lower quality recycled water which is treated at a level less than disinfected tertiary 2.2 recycled water no longer must be reported.

For unauthorized discharges exceeding these limits, the person responsible for the discharge is now required to notify the Regional Water Quality Control Board within 24 hours after becoming aware that the discharge has occurred. Additionally, the Office of Emergency Services is required to notify the local health officer and environmental health administrator of any hazardous substances or sewage discharge. The local health officer and environmental health administrator are then required to determine whether the public should be notified of the discharge in order to protect public health. .

#### AB 1522 – RECYCLED WATER FOR TOILET FLUSHING

Effective January 1, 1998, public agencies may now require the use of recycled water for toilet and urinals flushing in any commercial, industrial, or multi-family residential structure. This new law does not apply to single family residential structures. Public agencies considering the use of recycled water are required to prepare an engineering report and receive approval from the State Water Resources Control Board prior to using recycled water in these facilities.

#### **MTBE Monitoring**

(Continued from page 1)

Currently, MTBE has been detected by 18 public water systems. In addition, 19 groundwater and 14 surface water sources have detected MTBE.

The Drinking Water Program's home page provides continual updates of the MTBE monitoring data. •

# DRINKING WATER PROGRAM HOME PAGE

The Drinking Water Program now has a home page on the Internet.

The Drinking Water Program home page provides information on the various programs administered by the Program as well as updates on current drinking water issues such as MTBE, Perchlorate, the Drinking Water State Revolving Fund Loan Program, and the Drinking Water Source Assessment and Protection The Department's Program. publication of all the drinking water laws and regulations are also available for download from this home page. MTBE monitoring data and Write-On software and library update are available to download. These down load files are updated monthly. In April 1998, the Drinking Water Program home page will also be expanded to include information on the enforcement actions taken by the Department against public water systems that violate drinking water regulations.

The Internet address is: <a href="http://www.dhs.ca.gov.org/ps/ddwem/ddwemindex.htm">http://www.dhs.ca.gov.org/ps/ddwem/ddwemindex.htm</a>

Drinking Water Program Update is prepared annually by the California Department of Health Services, Drinking Water Technical Programs
Branch. The mailing address is 601 North 7th Street, MS 92, P.O. Box 942732, Sacramento, CA 94234-7320. Questions and Comments should be sent to Mr. Gary Hoffmann, who can be reached at (916) 322-6264.

#### DRINKING WATER SOURCE ASSESSMENT AND PROTECTION PROGRAM

The State of California is currently developing a Drinking Water Source Assessment and Protection Program (DWSAP). The Department has been assigned the lead responsibility to develop and implement the DWSAP.

The DWSAP is being developed in response to a mandate in the federal Safe Drinking Water Act Amendments of 1996 for each state to establish a program to assess all public drinking water sources to determine if there are any contaminants in the area around a source that might be a source of contamination. The procedure for making the determination includes (1) delineation of the area surrounding the drinking water supply source from which contaminants could reach the supply, (2) conducting an inventory of all potential and existing contaminant sources within that area, and (3) evaluating the likelihood of the contaminant sources contaminating the drinking water supply.

The Department has decided to include source water protection in the development of the DWSAP based on guidance provided by the USEPA. Source water protection involves efforts to use source water assessment information to develop methods to protect the water supplies from potential contamination. Protection also includes contingency planning and conducting thorough assessments for proposed new drinking water sources.

The Department must submit the final draft DWSAP to the USEPA by February 1999. The USEPA is required to review and approve the DWSAP by November 1999. The Department has the responsibility for ensuring that all source water assessments are completed by April 2003. The Department is

encouraging public water systems to conduct their own assessments. The Department will encourage source protection efforts and provide guidance to support local protection program efforts.

The Department is currently developing a DWSAP guidance document that will address both groundwater and surface water sources, based on USEPA guidance and experiences from other related programs. The Department has convened an interagency group to discuss DWSAP issues to ensure that the California's DWSAP adequately addresses the needs that are pertinent to the State. The Department has also formed public policy and technical advisory committees to solicit input from interested stakeholders.

All current information related to the DWSAP and the current version of the DWSAP draft is available on the Drinking Water Program Internet home page. You may also contact Alexis Milea at (510) 540-2177 or Leah Walker at (707) 576-2295 for more information.

#### WARN ON THE INTERNET

The Water Agency Response Network (WARN) has developed an Internet home page that is now operational. The Metropolitan Water District of Southern California, with the guidance and direction of the WARN State Steering Committee, provided the technical resources for the development of the home page. The WARN home page contains general information about WARN, and a statewide water system resource database.

WARN is a statewide mutual aid organization for water agencies that is divided into five regions and is governed by a state steering committee. Currently, more than 95 water agencies are members of WARN. Member agencies are provided access to the resource database which includes information on the availability of equipment, vehicles, and other resources that may be needed in an emergency. The resource database will be expanded to include a list of certified water treatment plant operators in the near future. There is no cost to sign up to be a member of WARN and the Department encourages all public water systems to become members. The Internet address is:

http://warn.mwd.dst.ca.us

#### NEW DRINKING WATER LAW BOOK

The Department will complete the 6<sup>th</sup> edition of the publication entitled "California Safe Drinking Water Act and Related Laws" which will be available for purchase in Mid-April 1998. The 6<sup>th</sup> edition has been updated to include new laws and regulations that became effective January 1, 1998. The Department has also completed the 1<sup>st</sup> edition of the publication entitled "California Health Laws Related to Recycled Water" which is now available for purchase. The purpose of these publications is to provide a convenient reference for the drinking water and recycled water programs regulated by the Department. These publications are also available on diskette at no cost if a formatted diskette is provided. To obtain a copy of these publications, contact Mr. Noel Davis at (916) 322-6324.

#### PERCHLORATE IN CALIFORNIA DRINKING WATER

Beginning in February 1997, ammonium perchlorate (perchlorate) has been detected in drinking water wells in California, including eighteen wells where high concentrations have resulted in their closure. Perchlorate has also been detected in low concentrations in Colorado River water. The perchlorate contamination has occurred in areas where the development, testing, and manufacture of aerospace material, munitions, and fireworks have occurred in the past. Perchlorate is used in the manufacturing of solid rocket fuel propellants.

The recent findings of perchlorate contamination are the result of improvements in the analytical methods for perchlorate, which were developed by the Department's Sanitation and Radiation Laboratory. The improved method allows for detection of perchlorate at levels considerably lower than earlier methods allowed.

The adverse health effects of perchlorate primarily involves interfering with the thyroid gland's ability to utilize iodine to produce thyroid hormones, which are needed for normal human metabolism, growth, and development.

Currently, no federal or state drinking water standards have been adopted for perchlorate since historically, it has not been considered a common drinking water contaminant.

Effective and economical treatment methods for the removal of perchlorate in drinking water are not currently available. However, research is being conducted by regulatory agencies, water utilities, and engineering firms to develop options for treatment. The Drinking Water Program's home page provides updated perchlorate monitoring information.

#### **EMERGENCY PREPAREDNESS**

The following are some tips to help you prepare for an emergency situation:

- (Bookmark Office of Emergency Services' home page <a href="http://www.oes.ca.gov">http://www.oes.ca.gov</a> (click on Flood and Storm Information) or the National Oceanic and Atmospheric Agency (NOAA) <a href="http://www.noaa.gov">http://www.noaa.gov</a> (click on National Weather Service) for 24-hour access to weather and flood information.
- Review your National Flood Insurance Plan (NFIP) maps and identify areas that were flooded in 1986, 1995, and 1997. Distribute this information to developed areas in the designated flood plain.
- Contact your local public works and flood control district and establish points of contact, and meet with flood control officials, levee and reclamation districts to review flood vulnerability and response procedures.
- (Request Department of Water Resources Flood Fight Sand Bagging Training, (800) 952-5530. Stockpile sand, sandbags and rip-rap at key sites subject to flooding.
- Test operate all of your emergency pumps and generators, practice on connecting emergency generators to the switch gear at key facilities, and refueling emergency generators.
- Review historical storm information, anticipate where future problems may occur.
- ( Conduct a tabletop exercise with your Emergency Operations Team using storm/flood damage as the emergency.

#### DEPARTMENT WINS IN SMALL CLAIMS COURT

The Department appeared before the Glenn County Municipal Court in July 1997 to collect fees owed to the Department by the Femino Blue Gum Café in Willows California. This small public water system has consistently refused to pay their annual operating fee to the Department for the last four years. State law requires that all small public water systems pay an annual fee to the Department to cover the costs of the Department for regulatory oversight. This was the first small claims court action taken by the Department to aggressively pursue delinquent water systems for non-payment of the annual operating fees. The Glenn County Municipal Court ruled in favor of the Department and awarded the full amount of the claim, including penalties.

The Department undertook its second small claims court action against the Porta Yosemite Mobile Home Park for non-payment of their annual drinking water operating fee. The Mariposa County Municipal Court ruled in favor of the Department and awarded the unpaid fees. The Court also ruled that the Department would be awarded the administrative fines if the Porta Yosemite Mobile Home Park did not pay the overdue operating fees in a timely manner. The Department is continuing this program of filing small claims court actions by reviewing the records of other water systems that have consistently refused to pay the operating fees or fines imposed for violation of state laws and regulations.

#### SRF

(Continued from page 1)

A draft of the IUP was placed on the Department's Web page in November 1997 and public hearings on the IUP were conducted in January 1998.

In May 1997, the Department sent DWSRF pre-applications to all eligible public water systems. The Department also conducted four public workshops in June 1997 to assist public water systems in completing the pre-application and to discuss the funding priority list ranking criteria.

The Department received DWSRF pre-applications from approximately 1,500 water systems identifying 3,300 eligible projects with a total estimated cost of \$7.3 billion. Based on these DWSRF pre-applications, the Department developed a draft multi-year DWSRF Project Priority List, and held ten public hearings around the state in January 1998.

The Capacity Development Small Water System Technical Assistance Committee is responsible for establishing the criteria for technical, financial and managerial capabilities that water systems must possess to be eligible for obtaining permit and DWSRF Loan Program funding, and developing a technical assistance program for small water systems. Draft guidance has been developed by the Committee which identifies the proposed minimum capabilities. The Department held a public hearing in February 1998 on the draft guidance.

For more information about the DWSRF Loan Program for California, visit the Drinking Water Program's home page or contact the DWSRF Coordinator, Mr. Robin Hook at (916) 323-0871.

## **REGULATIONS UPDATE**

#### **FLUORIDATION**

The Department completed a draft fluoridation regulation package for the implementation of the California Fluoridation Law (Assembly Bill 733) in February 1997. The regulation package was released for public comment and the Department received numerous comments on the draft regulation package before the end of the public comment period in May 1997. As a result of the public comments, the Department revised the fluoridation regulation and provided a second public comment period which ended in December 1997. The final regulation package has been submitted to the Office of Administrative Law fo approval. The Department expects to adopt a final fluoridation regulation by April 1998.

#### SURFACE WATER TREATMENT REGULATIONS

In early 1997, the Department completed a revised draft surface water treatment regulation package to conform with the federal rule. The regulation package was released for public comment and the Department

received numerous comments on the draft package. The Department incorporated comments received, and submitted the final regulation package to the Office of Administrative Law for approval in November 1997. The Department expects to adopt the final revised surface water treatment regulation by the end of April 1998.

#### MTBE – SECONDARY MCL & PERCHLORATE MONITORING

The Department is in the process of completing a draft regulation package to adopt a secondary maximum contaminant level for methyl tertiary butyl ether (MTBE). This regulation package also includes new monitoring requirements for perchlorate, ether tertiary butyl ether, and tertiary amyl These new contaminant monitoring requirements are being established to determine their occurrence in drinking water supplies in California. The Department expects to complete the draft regulation package and release it for public comment in April/May 1998. .

Operator Certification Exam Schedule		
Exam dates	Application deadlines	
May 16, 1998 November 21, 1998	March 1, 1998 September 1, 1998	Grade 1-4:
Mid-April, 1998 Mid-October, 1998	January 1, 1998 July 1, 1998	Grade 5: